Remarks

The Office Action mailed February 28, 2008 and made final has been carefully reviewed and the following remarks are made in consequence thereof.

Applicant and the undersigned wish to thank Examiner Porter for the courtesies she extended in a telephonic interview that occurred on August 6, 2008. During the interview, the undersigned and the Examiner agreed that Applicant would file the present Request for Reconsideration pointing out the differences between the presently claimed invention and the cited references, particularly Sturgis; and that the Examiner would review and promptly determine whether to allow the case. Examiner agreed to contact the undersigned prior to August 28, 2008, which is the final deadline for appealing or requesting continued examination. This response is made in consequence thereof.

Claims 1-36 and 48 are currently pending in this application. Claims 1-36 and 48 stand rejected. Claims 37-47 have already been cancelled.

The rejection of Claims 1-4, 6, 9-14, 16, 19-21, 23, 26-29, 31, 34-36 and 48 under 35 U.S.C. § 103(a) as being unpatentable over Erlanger (U.S. Pub. No. 2003/02001125) in view of Sturgis et al. ("Sturgis") and further in view of Kraehenbuehl et al. (U.S. Pub. No. 2002/0046067) ("Kraehenbuehl") is respectfully traversed.

Applicant respectfully submits that none of Erlanger, Sturgis or Kraehenbuehl, considered alone or in combination, describe or suggest the claimed invention. As discussed below, at least one of the differences between the cited references and the present invention is that none of Erlanger, Sturgis or Kraehenbuehl, considered alone or in combination, describe or suggest a method of *coordinating, by a sponsor, an auction* for providing reinsurance for an insurance program of a cedent by a plurality of reinsurers using a server system coupled to a database and at least one client system, the server system and the database are associated with the sponsor, the method comprising the steps of *"performing by the sponsor an underwriting analysis of said request for reinsurance and producing by the sponsor an underwriting report including an analysis of risk of loss associated with said insurance program, wherein the risk of*

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loss analysis includes an amount of losses expected on said insurance program over a predetermined period of time, wherein the underwriting analysis includes the sponsor determining a single underwriting standard for analyzing said request for reinsurance and producing the underwriting report". (Emphasis added.)

Furthermore, since none of Erlanger, Sturgis or Kraehenbuehl describe or suggest a sponsor that is coordinating a reinsurance auction and that produces an underwriting report to be used in soliciting bids from participating reinsurers, then it logically follows that none of Erlanger, Sturgis or Kraehenbuehl can describe *making said request for reinsurance and said underwriting report available to said participating reinsurers and enabling said participating reinsurers to make respective bids, during a selected period, to reinsure a portion of said insurance program...submitting bids by each of the participating reinsurers after the request for reinsurance and the underwriting report have been made available to the participating reinsurers.*

The Office Action now recognizes that neither Erlanger nor Kraehenbuehl, considered alone or in combination, describe or suggest the step of *"performing by the sponsor an underwriting analysis of said request for reinsurance and producing by the sponsor an underwriting report including an analysis of risk of loss associated with the insurance program....."* However, the Office Action further asserts that newly cited reference, Sturgis, describes this particular step. As discussed below, Sturgis does not describe or suggest this step.

Specifically, the Office Action asserts that Col. 4, lines 60-64; and Col. 5, line 61 through Col. 6, line 32 of Sturgis describes this particular step. Applicant traverses this assertion. Sturgis describes a method for improving a loss ratio by surveying underwriting ranking criteria. More specifically, Sturgis describes an audit survey provider that performs a survey by telephoning insured businesses to learn more about their exposure and verify policy information, wherein each insured is asked questions and the answers are recorded about the insured's business activities and history which would validate the information sent by an underwriter to the audit survey provider and identify various ranking criteria, and wherein these findings are used to numerically rank or flag each insured based on their responses to the questions such that the

underwriter can take appropriate action which may include endorsement, additional premium, or policy cancellation. In other words, it appears that the Office Action asserts that the results of the survey of the insured, as described in Sturgis, which is conducted by the survey provider after an insurance policy has been issued and which are then provided to the underwriter is analogous to the "underwriting report" recited in the present claims.

For at least the following reasons, this analogy is flawed. First, in Sturgis, the results of the survey are gathered by a survey provider which are then provided to an underwriter. In contrast, the underwriting report of the present application are produced by a sponsor of an auction for providing reinsurance. Neither the survey provider nor the underwriter in Sturgis are associated in anyway with an auction for providing reinsurance. Second, in Sturgis, the survey is conducted by a survey provider after an insurance policy has been issued by an underwriter. In contrast, the underwriting report of the present application are produced by the sponsor of the auction for providing reinsurance wherein the underwriting report is made available for soliciting bids from participating reinsurers. The survey in Sturgis is in no way used to solicit bids for providing reinsurance, but rather is used to evaluate insurance policies already issued. Third, in Sturgis, the results of the survey are used to numerically rank each insured such that the underwriter can take appropriate action which may include endorsement, additional premium, or policy cancellation. In contrast, the underwriting report of the present application is produced by the sponsor, it is made available by the sponsor to the participating reinsurers for enabling the participating reinsurers to make respective bids to reinsure a portion of the insurance program, and, after it is made available to the participating reinsurers, bids are submitted by each of the participating reinsurers. The survey in Sturgis is in no way made available by a sponsor (i.e., the sponsor of an auction for providing reinsurance) to participating reinsurers for enabling bids to reinsure a portion of an insurance program nor does Sturgis describe submitting bids by each of the participating reinsurers after the underwriting report has been made available to the participating reinsurers.

Furthermore, the Office Action acknowledges that neither Erlanger nor Kraehenbuehl make up for the deficiencies of Sturgis. Accordingly, for at least these reasons, the present

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invention is submitted to be patentable over Erlanger in view of Sturgis and further in view of Kraehenbuehl.

In addition, Applicant submits that none of Erlanger, Sturgis or Kraehenbuehl describe or suggest dependent Claim 3. For example, Claim 3 is directed to "notifying said participating reinsurers that said sponsor will provide a portion of said reinsurance at a price and percentage to be determined by said sponsor prior to selecting bids for said reinsurance proposal." The Office Action asserts at page 6 that Erlanger describes this recitation by describing "par. 166-172: a portion of the fees of data system (i.e. sponsor) are remitted to the insurer/reinsurer and thus provide a portion of insurance/reinsurance." Applicant traverses this assertion.

Applicant submits that Erlanger describes a fee that is paid by the insurer for using the system wherein a portion of the fee is remitted back to the insurer based on the amount or business volume that the insurer has transacted through the system. Thus, in Erlanger, the fee being remitted is a marketing tool that is used to motivate the insurer to use the system. Applicant submits that merely describing a fee being remitted to each insurer to encourage use of the system as described in Erlanger does not describe or teach _notifying participating reinsurers that the sponsor will provide a portion of the reinsurance at a price and percentage to be determined by the sponsor prior to selecting bids for the reinsurance proposal_. (Emphasis added.) Erlanger does not describe, teach or even mention a sponsor (i.e., the data system) providing a portion of the reinsurance at a price and percentage to be determined by the sponsor prior to selecting bids for the reinsurance proposal.

Erlanger describes a data processing system that provides a market for: (1) the provision of insurance and reinsurance between insurers and those seeking insurance and reinsurance, and (2) the sale of insurance between reinsurers. More specifically, the data processing system provides for insurance seekers to place a bid to buy reinsurance from each of a plurality of reinsurers. The offer to sell reinsurance specifies the minimum acceptable closing bid criteria for each of the insurance policies that the reinsurer is willing to reinsure. The data processing system compares each bid to buy reinsurance to each offer to sell reinsurance, to identify a match between a reinsurer and an insurance seeker.

Sturgis describes a method of improving the loss ratio on a book of insurance. The method uses a computer database with a user interface display and includes questions for insured entities making up the book of insurance. Spaces are provided on the display for the input of answers from an insured. A survey is used to question the insured entity. The survey elicits answers to the questions posed. Data is input from the answers and is received into the computer database at the spaces provided for. The answers that are collected are compared with answers contained in written documents having information that was supplied by a third party insurance underwriter. Inconsistent answers are identified and the information obtained is reported to the underwriter who can determine whether or not the insurance premium of the insured should be adjusted.

Kraehenbuehl describes a system and method of selling reinsurance that includes identifying a reinsurance product and a capacity of the reinsurance product to be sold and calculating a fair risk price for the reinsurance product. The reinsurance product is then offered to primary insurers via an electronic auction. Primary or direct insurers bid against one another in a modified Dutch auction-type auction, wherein primary insurers commit to buying, at their respective offered bids, a certain amount of reinsurance capacity from the reinsurer.

Claim 1 recites a method of coordinating, by a sponsor, an auction for providing reinsurance for an insurance program of a cedent by a plurality of reinsurers using a server system coupled to a database and at least one client system, the reinsurers being a party who bid for an insurance portfolio owned by the cedent, the server system and the database are associated with the sponsor, the method includes "establishing a network of participating reinsurers meeting eligibility requirements to participate in said auction...establishing a reinsurance capacity for each of said participating reinsurers...displaying a submission screen on the at least one client system for prompting a cedent to input a request for reinsurance of an insurance program, the submission screen is stored within the database and is transmitted to the at least one client system, the submission screen including a first section for prompting the cedent to input basic parameters of the request for reinsurance, and a second section for prompting the cedent to respond to questions and attach documents for underwriting the insurance program associated with the request...receiving at the server said request for reinsurance of the insurance program

from the cedent...performing by the sponsor an underwriting analysis of said request for reinsurance and producing by the sponsor an underwriting report including an analysis of risk of loss associated with said insurance program, wherein the risk of loss analysis includes an amount of losses expected on said insurance program over a predetermined period of time, wherein the underwriting analysis includes the sponsor determining a single underwriting standard for analyzing said request for reinsurance and producing the underwriting report...making said request for reinsurance and said underwriting report available to said participating reinsurers and enabling said participating reinsurers to make respective bids, during a selected period, to reinsure a portion of said insurance program...submitting bids using the at least one client system by each of the participating reinsurers after said request for reinsurance and said underwriting report have been made available to the participating reinsurers, each bid to include a maximum percentage of reinsurance for said insurance program offered by said participating reinsurer and a rate specified by said participating reinsurer...receiving bids at the server from said participating reinsurers during said selection period...selecting bids by the sponsor which fulfill said request for reinsurance, as a reinsurance proposal...and offering said reinsurance proposal to said cedent."

None of Erlanger, Sturgis or Kraehenbuehl, considered alone or in combination, describe or suggest the method of Claim 1. More specifically, none of Erlanger, Sturgis or Kraehenbuehl, considered alone or in combination, describe or suggest a method of coordinating, by a sponsor, an auction for providing reinsurance for an insurance program of a cedent by a plurality of reinsurers using a server system coupled to a database and a client system, the server system and the database are associated with the sponsor, the method includes *"performing by the sponsor an underwriting analysis of said request for reinsurance and producing by the sponsor an underwriting report including an analysis of risk of loss associated with said insurance program, wherein the risk of loss analysis includes an amount of losses expected on said insurance program over a predetermined period of time, wherein the underwriting analysis includes the sponsor determining a single underwriting standard for analyzing said request for reinsurance and producing the underwriting report"*. (Emphasis added.)

Furthermore, since none of Erlanger, Sturgis or Kraehenbuehl describe or suggest a sponsor that is coordinating a reinsurance auction and that produces an underwriting report to be used in soliciting bids from participating reinsurers, then it logically follows that none of Erlanger, Sturgis or Kraehenbuehl can describe *making said request for reinsurance and said underwriting report available to said participating reinsurers and enabling said participating reinsurers to make respective bids, during a selected period, to reinsure a portion of said insurance program...submitting bids by each of the participating reinsurers after the request for reinsurance and the underwriting report have been made available to the participating reinsurers.*

The Office Action now recognizes that neither Erlanger nor Kraehenbuehl, considered alone or in combination, describe or suggest the step of *"performing by the sponsor an underwriting analysis of said request for reinsurance and producing by the sponsor an underwriting report including an analysis of risk of loss associated with the insurance program....."* (Emphasis added.) However, the Office Action further asserts that newly cited reference, Sturgis, describes this particular step. As discussed below, Sturgis does not describe or suggest this step.

Specifically, the Office Action asserts that Col. 4, lines 60-64; and Col. 5, line 61 through Col. 6, line 32 of Sturgis describes this particular step. Applicant traverses this assertion. Sturgis Col. 5, line 61 through Col. 6, line 32 actually provides in relevant part as follows:

> The results of the survey 190 are transmitted back to the underwriter 22 for appropriate action which may include endorsement, additional premium, or policy cancellation. After receiving the results of the survey 190 the underwriter 22 can review the ranked or flagged insureds 20 and determine whether additional premium is warranted, a policy endorsement necessary, or even if the insured 20 was deemed a risk violating underwriting guidelines 200 thus cancellation of the policy would be likely.

> The ranking criteria 210 are based on the underwriter's underwriting guidelines 200. For the book of insurance 120 the underwriter 22 may have very specific underwriting guidelines 200 leading to ranking criteria 210 which include, for example, ... Other examples of ranking criteria 210 can be payroll amounts and employee numbers not matching the underwriter's 22 records for the specific insured entity 20.

In a preferred embodiment of the present invention various ranking criteria 210 can each be given specific criteria point values 215 (for example, a negative 35 points for businesses not in existence for more than three years) approximating the relative importance of each ranking criteria 210 in relation to all other ranking criteria. A numerical score 220 can be calculated based on the criteria point values 215 assigned to each ranking criteria 210 and then identifying which specific ranking criteria 210 are applicable to the insured 20. Numerically ranking each insured 20 or flagging insureds 20 for identified ranking criteria 210 enables a user to uncover insureds 20 with exposures inadequately or not at all defined and thus additional premium warranted.

In other words, Sturgis describes an audit survey provider that performs a survey by telephoning insured businesses to learn more about their exposure and verify policy information, wherein each insured is asked questions and the answers are recorded about the insured's business activities and history which would validate the information sent by an underwriter to the audit survey provider and identify various ranking criteria, and wherein these findings are used to numerically rank or flag each insured based on their responses to the questions such that the underwriter can take appropriate action which may include endorsement, additional premium, or policy cancellation. Accordingly, it appears that the Office Action asserts that the results of the survey of the insured, as described in Sturgis, is analogous to the "underwriting report" recited in the present claims.

For at least the following reasons, this analogy is flawed. First, in Sturgis, the results of the survey are gathered by a survey provider which are then provided to an underwriter. In contrast, the underwriting report of the present application are produced by a sponsor of an auction for providing reinsurance. Neither the survey provider nor the underwriter in Sturgis are associated in anyway with an auction for providing reinsurance. Second, in Sturgis, the survey is conducted by a survey provider after an insurance policy has been issued by an underwriter. In contrast, the underwriting report of the present application are produced by the sponsor of the auction for providing reinsurance wherein the underwriting report is made available for soliciting bids from participating reinsurers. The survey in Sturgis is in no way used to solicit bids for providing reinsurance, but rather is used to evaluate insurance policies already issued. Third, in Sturgis, the results of the survey are used to numerically rank each insured such that the underwriter can take appropriate action which may include endorsement, additional premium, or

policy cancellation. In contrast, the underwriting report of the present application is produced by the sponsor, it is made available by the sponsor to the participating reinsurers for enabling the participating reinsurers to make respective bids to reinsure a portion of the insurance program, and, after it is made available to the participating reinsurers, bids are submitted by each of the participating reinsurers. The survey in Sturgis is in no way made available by a sponsor (i.e., the sponsor of an auction for providing reinsurance) to participating reinsurers for enabling bids to reinsure a portion of an insurance program nor does Sturgis describe submitting bids by each of the participating reinsurers after the underwriting report has been made available to the participating reinsurers.

Furthermore, the Office Action acknowledges that neither Erlanger nor Kraehenbuehl make up for the deficiencies of Sturgis. Accordingly, for at least these reasons, the present invention is submitted to be patentable over Erlanger in view of Sturgis and further in view of Kraehenbuehl.

Specifically, Erlanger does not describe *submitting bids by each of the participating reinsurers after the request for reinsurance and the underwriting report have been made available to the participating reinsurers.* Rather, Erlanger describes a system that receives a bid from an insurance seeker in order to buy reinsurance coverage at a bid price from a reinsurer. In addition, Applicant respectfully submits that neither Erlanger nor Kraehenbuehl, considered alone or in combination, describe or suggest *receiving bids at a server from participating reinsurers* during the selection period. Because Erlanger describes a system that receives a bid from an insurance seeker in order to buy reinsurance coverage at a bid price from a reinsurer, Erlanger cannot describe *receiving bids at the server from participating reinsurers* during the selection period.

Moreover, neither Erlanger nor Kraehenbuehl, considered alone or in combination, describe or suggest displaying a submission screen on a client system for prompting a cedent to input a request for reinsurance of an insurance program, the submission screen is stored within the database and is transmitted to the client system, the submission screen including a first section for prompting the cedent to input basic parameters of the request for reinsurance, and a

second section for prompting the cedent to respond to questions and *attach documents for underwriting the insurance program associated with the request.* (Emphasis added.)

The Office Action acknowledges that Erlanger does not describe displaying a submission screen as recited in Claim 1. However, the Office Action asserts that Kraehenbuehl describes this recitation at Figures 8 and 9, and paragraphs 72-74 and 76. Applicant traverses this assertion. As discussed below, Applicant submits that Kraehenbuehl does not describe displaying a submission screen for prompting a cedent to input a request for reinsurance of an insurance program wherein the submission screen includes a first section for prompting the cedent to input basic parameters of the request for reinsurance, and a second section for prompting the cedent to respond to questions and *attach documents for underwriting the insurance program associated with the request.* Rather, Kraehenbuehl describes Figure 8 as a screen that displays bid information (bid overview), and Figure 9 as a screen that prompts a user to input information (bid parameters) that will be used to generate a bid (or draft bid) in the auction. The bid parameters depend on the reinsurance product type, but typical parameters include the total sum insured, Gross Net Premium Income (GNPI), a deductible, an amount of coverage, a share percentage, a bid name, an inception date and an actual bid. Kraehenbuehl does not describe nor suggest prompting the cedent to respond to questions and *attach documents for underwriting the insurance program associated with the request.* In fact, Kraehenbuehl fails to even mention attaching any such documents, and the information submitted in Kraehenbuehl are bid parameters that have nothing to do with underwriting an insurance program.

For at least the reasons set forth above, Claim 1 is submitted to be patentable over Erlanger in view of Sturgis and further in view of Kraehenbuehl.

Claims 2-4, 6 and 9-10 depend from independent Claim 1. When the recitations of Claims 2-4, 6 and 9-10 are considered in combination with the recitations of Claim 1, Applicant submits that dependent Claims 2-4, 6 and 9-10 likewise are patentable over Erlanger in view of Sturgis and further in view of Kraehenbuehl.

In addition, Applicant submits that neither Erlanger nor Kraehenbuehl describe or suggest dependent Claim 3. For example, Claim 3 is directed to "notifying said participating reinsurers

that said sponsor will provide a portion of said reinsurance at a price and percentage to be determined by said sponsor prior to selecting bids for said reinsurance proposal." The Office Action asserts at page 6 that Erlanger describes this recitation by describing "par. 166-172: a portion of the fees of data system (i.e. sponsor) are remitted to the insurer/reinsurer and thus provide a portion of insurance/reinsurance." Applicant traverses this assertion. Paragraphs 167-172 of Erlanger actually provide as follows:

> As shown in FIG. 5, at step 311, data processing system 101 outputs an indicium of a portion of the fee, if any, to be remitted to each insurer. The purpose of remitting a portion of the fee to the selected insurer is to encourage each insurer to:

> (i) patronize data processing system 101;

> (ii) offer the widest variety of insurance products at the lowest premiums and fees and with the best terms; and

> (iii) write the largest number of policies possible through the system.

In other words, Erlanger describes a fee that is paid by the insurer for using the system wherein a portion of the fee is remitted back to the insurer based on the amount or business volume that the insurer has transacted through the system. Thus, in Erlanger, the fee being remitted is a marketing tool that is used to motivate the insurer to use the system. Applicant submits that merely describing a fee being remitted to each insurer to encourage use the system as described in Erlanger does not describe or teach *notifying participating reinsurers that the sponsor will provide a portion of the reinsurance at a price and percentage to be determined by the sponsor prior to selecting bids for the reinsurance proposal.* (Emphasis added.) Specifically, Erlanger does not describe, teach or even mention a sponsor (i.e., the data system) providing a portion of the reinsurance at a price and percentage to be determined by the sponsor prior to selecting bids for the reinsurance proposal.

For these reasons, Applicant submits that dependent Claims 2-4, 6 and 9-10 are patentable over Erlanger in view of Kraehenbuehl.

Claim 11 recites a method of coordinating, by a sponsor, an auction for providing insurance for a cedent by a plurality of insurers, the insurers being a party who bid for providing insurance protection to the cedent, comprising the steps of "providing a server system associated with the sponsor, the server system coupled to a database...providing a plurality of client systems associated with the cedent and the plurality of insurers, the client systems coupled to the server...establishing a network of participating insurers meeting eligibility requirements to participate in said auction...establishing an insurance capacity for each of said participating insurers...displaying a submission screen on the at least one client system for prompting a cedent to input a request for insurance, the submission screen is stored within the database and is transmitted to the at least one client system, the submission screen including a first section for prompting the cedent to input basic parameters of the request for insurance, and a second section for prompting the cedent to respond to questions and attach documents for underwriting the insurance associated with the request...receiving at the server said request for insurance from the cedent...performing by the sponsor an underwriting analysis of said request for insurance and producing by the sponsor an underwriting report including an analysis of risk of loss associated with said insurance, wherein the risk of loss analysis includes an amount of losses expected on said insurance over a predetermined period of time, wherein the underwriting analysis includes the sponsor determining a single underwriting standard for analyzing said request for insurance and producing the underwriting report...making said request for insurance and said underwriting report available to said participating insurers and enabling said participating insurers to make respective bids, during a selected period, to cover a portion of said insurance; each bid to include a maximum percentage of insurance offered by said participating insurer and a rate specified by said participating insurer...submitting bids using the at least one client system by each of the participating insurers after said request for insurance and said underwriting report have been made available to the participating insurers...receiving bids at the server from said participating insurers during said selected period...selecting bids by the sponsor which fulfill said request for insurance, as an insurance proposal...and offering said insurance proposal to said cedent."

Claim 11 recites a method that includes steps essentially similar to those recited in Claim 1. Thus, it is submitted that Claim 11 is patentable over Erlanger in view of Kraehenbuehl for at least the reasons that correspond to those given with respect to Claim 1.

Claims 12-14, 16 and 19-20 depend from independent Claim 11. When the recitations of Claims 12-14, 16 and 19-20 are considered in combination with the recitations of Claim 11, Applicant submits that dependent Claims 12-14, 16 and 19-20 are also patentable over Erlanger in view of Kraehenbuehl.

Claim 21 recites a process for coordinating, by a sponsor, an auction for providing insurance for a cedent by a plurality of insurers, the insurers being a party who bid for providing insurance protection to the cedent, the process using a computer associated with the sponsor coupled to a remote computer, the process includes "establishing a network of participating insurers meeting eligibility requirements to participate in said auction...establishing an insurance capacity for each of said participating insurers...displaying a submission screen on the remote computer for prompting a cedent to input a request for insurance, the submission screen is stored at the sponsor computer and is transmitted to the remote computer, the submission screen including a first section for prompting the cedent to input basic parameters of the request for insurance, and a second section for prompting the cedent to respond to questions and attach documents for underwriting the insurance associated with the request...receiving at the sponsor computer said request for insurance from the cedent...performing an underwriting analysis of said request for insurance by the sponsor, wherein the underwriting analysis includes the sponsor determining a single underwriting standard for analyzing said request for insurance...producing an underwriting report including an analysis of risk of loss associated with said insurance program, wherein the risk of loss analysis includes an amount of losses expected on the insurance program over a predetermined period of time...making said request for insurance and said underwriting report available to said participating insurers and enabling said participating insurers to make respective bids, during a selected period, to cover a portion of said insurance each bid to include a maximum percentage of insurance offered by said participating insurer and a rate specified by said participating insurer...submitting bids using the remote computer by each of the participating insurers after said request for insurance and said underwriting report have been made available to the participating insurers...receiving bids from said participating insurers during said selection period...selecting bids which fulfill said request for insurance, as an insurance proposal...offering said insurance proposal to said cedent...binding said selected

participating insurers to provide said insurance...and guaranteeing, by said sponsor, payment by each of said selected participating insurers for any proper claims made on said insurance."

Claim 21 recites a process that includes steps essentially similar to those recited in Claim 1. Thus, it is submitted that Claim 21 is patentable over Erlanger in view of Kraehenbuehl for at least the reasons that correspond to those given with respect to Claim 1.

Claims 23 and 26-28 depend from independent Claim 21. When the recitations of Claims 23 and 26-28 are considered in combination with the recitations of Claim 21, Applicant submits that dependent Claims 23 and 26-28 are also patentable over Erlanger in view of Kraehenbuehl.

Claim 29 recites a process for coordinating, by a sponsor, an auction for providing reinsurance for a cedent by a plurality of insurers, the insurers being a party who bid for providing insurance protection to the cedent, the process using a computer associated with the sponsor coupled to a plurality of remote computers, the process includes "establishing a network of participating reinsurers meeting eligibility requirements to participate in said auction...establishing a reinsurance capacity for each of said participating reinsurers...displaying a submission screen on at least one of the remote computers for prompting a cedent to input a request for reinsurance, the submission screen is stored at the sponsor computer and is transmitted to the remote computer, the submission screen including a first section for prompting the cedent to input basic parameters of the request for reinsurance, and a second section for prompting the cedent to respond to questions and attach documents for underwriting the reinsurance associated with the request...receiving at the sponsor computer said request for reinsurance from the cedent...performing an underwriting analysis of said request for reinsurance by the sponsor, wherein the underwriting analysis includes the sponsor determining a single underwriting standard for analyzing said request for reinsurance and producing the underwriting report...producing, by the sponsor, an underwriting report including an analysis of risk of loss associated with said reinsurance program, wherein the risk of loss analysis includes an amount of losses expected to said reinsurance program over a predetermined period of time...making said request for reinsurance and said underwriting report available to said participating reinsurers and enabling said participating reinsurers to make respective bids, during

a selected period, to cover a portion of said reinsurance...submitting bids using at least one of the remote computers by each of the participating reinsurers after said request for reinsurance and said underwriting report have been made available to the participating reinsurers, each bid to include a maximum percentage of reinsurance offered by said participating reinsurer and a rate specified by said participating reinsurer...receiving bids from said participating reinsurers during said selected period...selecting bids which fulfill said request for reinsurance, as a reinsurance proposal...offering said reinsurance proposal to said cedent; binding said selected participating reinsurers to provide said reinsurance...and guaranteeing, by said sponsor, payment by each of said selected participating reinsurers for any proper claims made on said reinsurance."

Claim 29 recites a process that includes steps essentially similar to those recited in Claim 1. Thus, it is submitted that Claim 29 is patentable over Erlanger in view of Kraehenbuehl for at least the reasons that correspond to those given with respect to Claim 1.

Claims 31 and 34-36 depend from independent Claim 29. When the recitations of Claims 31 and 34-36 are considered in combination with the recitations of Claim 29, Applicant submits that dependent Claims 31 and 34-36 are also patentable over Erlanger in view of Kraehenbuehl.

Claim 48 recites a system for coordinating, by a sponsor, an auction for providing reinsurance for an insurance program of a cedent by a plurality of reinsurers, the reinsurers being a party who bid for an insurance portfolio owned by the cedent. The system includes a plurality . of client systems associated with the cedent and the plurality of reinsurers, a database for storing information, and a server system configured to be coupled to the client systems and the database. The server is associated with the sponsor. The server system is configured to "store in the database a network of participating reinsurers meeting eligibility requirements to participate in said auction including a reinsurance capacity for each of said participating reinsurers...display a submission screen on at least one of the client systems for prompting a cedent to input a request for reinsurance of an insurance program, the submission screen including a first section for prompting the cedent to input basic parameters of the request for reinsurance, and a second section for prompting the cedent to respond to questions and attach documents for underwriting the insurance program associated with the request...receive said request for reinsurance from the

cedent...generate an underwriting report for the sponsor based on an underwriting analysis performed by the sponsor of said request for reinsurance, wherein the underwriting analysis including an analysis of risk of loss associated with said insurance program, wherein the underwriting analysis includes the sponsor determining a single underwriting standard for analyzing said request for reinsurance and generating the underwriting report, said request for reinsurance and said underwriting report accessible by said participating reinsurers...prompt said participating reinsurers to submit respective bids, during a selected period, to reinsure a portion of said insurance program, the bids are submitted after said request for reinsurance and said underwriting report have been made available to the participating reinsurers...receive bids from said participating reinsurers during said selection period...select bids which fulfill said request for reinsurance, as a reinsurance proposal...and offer said reinsurance proposal to said cedent."

Claim 48 recites a system that includes steps essentially similar to those recited in Claim 1. Thus, it is submitted that Claim 48 is patentable over Erlanger in view of Kraehenbuehl for at least the reasons that correspond to those given with respect to Claim 1.

For at least the reasons set forth above, Applicant respectfully request that the Section 103 rejection of Claims 1-4, 6, 9-14, 16, 19-21, 23, 26-29, 31, 34-36, and 48 be withdrawn.

The rejection of Claims 8, 18, 25 and 33 under 35 U.S.C. § 103(a) as being unpatentable over Erlanger, Sturgis and Kraehenbuehl as applied to Claims 1, 11, 21, and 29, and further in view of the alleged Admitted Prior Art is respectfully traversed.

Claim 8 depends from Claim 1. Claim 1 is recited hereinabove. As stated above, Claim 1 is patentable over Erlanger, Sturgis and Kraehenbuehl. The alleged Admitted Prior Art does not make up for the deficiencies of Erlanger, Sturgis and Kraehenbuehl. Therefore, Claim 1 is patentable over Erlanger, Sturgis and Kraehenbuehl and further in view of the alleged Admitted Prior Art. Accordingly, when the recitations of Claim 8 are considered in combination with the recitations of Claim 1, Applicant submits that dependent Claim 8 likewise is patentable over Erlanger, Sturgis and Kraehenbuehl and further in view of the alleged Admitted Prior Art.

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Claim 18 depends from Claim 11. Claim 11 is recited hereinabove. As stated above, Claim 11 is patentable over Erlanger, Sturgis and Kraehenbuehl. The alleged Admitted Prior Art does not make up for the deficiencies of Erlanger, Sturgis and Kraehenbuehl. Therefore, Claim 11 is patentable over Erlanger, Sturgis and Kraehenbuehl and further in view of the alleged Admitted Prior Art. Accordingly, when the recitations of Claim 18 are considered in combination with the recitations of Claim 11, Applicant submits that dependent Claim 18 likewise is patentable over Erlanger, Sturgis and Kraehenbuehl and further in view of alleged Admitted Prior Art.

Claim 25 depends from Claim 21. Claim 21 is recited hereinabove. As stated above, Claim 21 is patentable over Erlanger, Sturgis and Kraehenbuehl. The alleged Admitted Prior Art does not make up for the deficiencies of Erlanger, Sturgis and Kraehenbuehl. Therefore, Claim 21 is patentable over Erlanger, Sturgis and Kraehenbuehl and further in view of the alleged Admitted Prior Art. Accordingly, when the recitations of Claim 25 are considered in combination with the recitations of Claim 21, Applicant submits that dependent Claim 25 likewise is patentable over Erlanger, Sturgis and Kraehenbuehl and further in view of alleged Admitted Prior Art.

Claim 33 depends from Claim 29. Claim 29 is recited hereinabove. As stated above, Claim 29 is patentable over Erlanger, Sturgis and Kraehenbuehl. The alleged Admitted Prior Art does not make up for the deficiencies of Erlanger, Sturgis and Kraehenbuehl. Therefore, Claim 29 is patentable over Erlanger, Sturgis and Kraehenbuehl and further in view of the alleged Admitted Prior Art. Accordingly, when the recitations of Claim 33 are considered in combination with the recitations of Claim 29, Applicant submits that dependent Claim 33 likewise is patentable over Erlanger, Sturgis and Kraehenbuehl and further in view of alleged Admitted Prior Art.

For at least the reasons set forth above, Applicant respectfully request that the Section 103 rejection of Claims 8, 18, 25 and 33 be withdrawn.

The rejection of Claims 5, 7, 15, 17, 22, 24, 30 and 32 under 35 U.S.C. § 103(a) as being unpatentable over Erlanger, Sturgis and Kraehenbuehl as applied to Claims 1, 11, 21, and 29, and

further in view of Walker et al. (U.S. Patent No. 6,119,093) (herein after referred to as "Walker") is respectfully traversed.

Erlanger, Sturgis and Kraehenbuehl are all described above.

Walker describes a system for facilitating a syndicated sale of an insurance policy. The system employs a processor and a storage device connected to the processor, and a data receiving device and a data output device connected to the processor. The processor executes a program to receive information relating to the insurance policy, and transmit for electronic viewing by a potential buyer an invitation to offer to buy a share in the underwriting of the insurance policy. The share has associated therewith a risk cost assessable to the buyer if payment is made on a claim under the insurance policy. The processor receives offers to underwrite the share of the insurance policy; each offer includes information identifying collateral (e.g., line of credit associated with a credit card account) against which the risk cost may be charged in the event of payment on a claim. The transmission of the invitation and the offer to buy a share may be made on the Internet.

Claims 5 and 7 depend from independent Claim 1. Claim 1 is recited hereinabove. As stated above, Erlanger, Sturgis and Kraehenbuehl do not describe or suggest the method recited in Claim 1. Walker does not make up for the deficiencies of Erlanger, Sturgis and Kraehenbuehl. Accordingly, for at least the reasons set forth above, Claim 1 is submitted to be patentable over Erlanger, Sturgis and Kraehenbuehl in further in view of Walker.

When the recitations of Claims 5 and 7 are considered in combination with the recitations of Claim 1, Applicant submits that dependent Claims 5 and 7 likewise are patentable over Erlanger, Sturgis and Kraehenbuehl in further in view of Walker.

Claims 15 and 17 depend from independent Claim 11. Claim 11 is recited hereinabove. As stated above, Erlanger, Sturgis and Kraehenbuehl do not describe or suggest the method recited in Claim 11. Walker does not make up for the deficiencies of Erlanger, Sturgis and Kraehenbuehl. Accordingly, for at least the reasons set forth above, Claim 11 is submitted to be patentable over Erlanger, Sturgis and Kraehenbuehl in further in view of Walker.

When the recitations of Claims 15 and 17 are considered in combination with the recitations of Claim 11, Applicant submits that dependent Claims 15 and 17 likewise are patentable over Erlanger, Sturgis and Kraehenbuehl in further in view of Walker.

Claims 22 and 24 depend from independent Claim 21. Claim 21 is recited hereinabove. As stated above, Erlanger, Sturgis and Kraehenbuehl do not describe or suggest the process recited in Claim 21. Walker does not make up for the deficiencies of Erlanger, Sturgis and Kraehenbuehl. Accordingly, for at least the reasons set forth above, Claim 21 is submitted to be patentable over Erlanger, Sturgis and Kraehenbuehl in further view of Walker.

When the recitations of Claims 22 and 24 are considered in combination with the recitations of Claim 21, Applicant submits that dependent Claims 22 and 24 likewise are patentable over Erlanger, Sturgis and Kraehenbuehl in further view of Walker.

Claims 30 and 32 depend from independent Claim 29. Claim 29 is recited hereinabove. As stated above, Erlanger, Sturgis and Kraehenbuehl do not describe or suggest the process recited in Claim 29. Walker does not make up for the deficiencies of Erlanger, Sturgis and Kraehenbuehl. Accordingly, for at least the reasons set forth above, Claim 29 is submitted to be patentable over Erlanger, Sturgis and Kraehenbuehl in further view of Walker.

When the recitations of Claims 30 and 32 are considered in combination with the recitations of Claim 29, Applicant submits that dependent Claims 30 and 32 likewise are patentable over Erlanger, Sturgis and Kraehenbuehl in further view of Walker.

For at least the reasons set forth above, Applicant respectfully requests that the Section 103 rejection of Claims 5, 7, 15, 17, 22, 24, 30 and 32 be withdrawn.

In addition to the arguments set forth above, Applicant further submits that the rejection of Claims 1-4, 6, 9-14, 16, 19-21, 23, 26-29, 31, 34-36 and 48 under 35 U.S.C. § 103(a) as being unpatentable over Erlanger in view of Sturgis and further in view of Kraehenbuehl; the rejection of Claims 8, 18, 25 and 33 under 35 U.S.C. § 103(a) as being unpatentable over Erlanger, Sturgis and Kraehenbuehl in further view of the alleged Admitted Prior Art; and the rejection of Claims 5, 7, 15, 17, 22, 24, 30 and 32 under 35 U.S.C. § 103(a) as being unpatentable over Erlanger,

Sturgis and Kraehenbuehl in view of Walker is further traversed on the grounds that the Section 103 rejection of the presently pending claims is not a proper rejection.

Obviousness cannot be established by merely suggesting that it would have been obvious to one of ordinary skill in the art to modify Erlanger using the teachings of Sturgis, Kraehenbuehl, the Admitted Prior Art and Walker. More specifically, as is well established, obviousness cannot be established by combining the teachings of the cited art to produce the claimed invention, absent some teaching, suggestion, or incentive supporting the combination. It is impermissible to use the claimed invention as an instruction manual or "template" to piece together the teachings of the prior art so that the claimed invention is rendered obvious. Specifically, one cannot use hindsight reconstruction to pick and choose among isolated disclosures in the prior art to deprecate the claimed invention. Further, it is impermissible to pick and choose from any one reference only so much of it as will support a given position, to the exclusion of other parts necessary to the full appreciation of what such reference fairly suggests to one of ordinary skill in the art. It appears that the present rejection reflects an impermissible attempt to use the instant claims as a guide or roadmap in formulating the rejection using impermissible hindsight reconstruction of the invention. The United States Supreme Court has recently expressed concern regarding distortion caused by hindsight bias in an obvious analysis, and notes that factfinders should be cautious of arguments reliant upon ex post reasoning. See KSR International Co. v. Teleflex, Inc., slip Opinion at page 17.
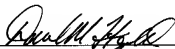
The United States Supreme Court has recently held that obviousness rejections must be supported with "articulated reasoning with some rational underpinning to support the conclusion of obviousness." See KSR International Co. v. Teleflex, Inc., slip Opinion at page 14. The present rejection does not appear to meet this standard as it reflects no articulate reasoning why the independent or dependent claims are believed to be obvious, but rather is stated in the form of a conclusion of obviousness. Applicant accordingly requests specific explanation and articulation regarding the reasoning and rational underpinning for any obviousness rejection of the claims. It is not believed that adequate reasons why the presently claimed invention is believed to be obvious have been provided on the present record.

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The Supreme Court also explained that, following "common sense," "familiar items may have obvious uses beyond their primary purposes, and in many cases a person of ordinary skill will be able to fit the teachings of multiple patents together like pieces of a puzzle." Id. at page 16. Applicants respectfully submit that the teachings of Erlanger, Sturgis, Kraehenbuehl, the Admitted Prior Art and Walker do not fit together like pieces of a puzzle, but rather are isolated disclosures, which have been picked and chosen in an attempt to deprecate the present invention. Of course, such a combination is impermissible, and for this reason alone, Applicant requests that the Section 103 rejection of Claims 1-4, 6, 9-14, 16, 19-21, 23, 26-29, 31, 34-36 and 48; the rejection Claims 8, 18, 25 and 33; and the rejection of Claims 5, 7, 15, 17, 22, 24, 30 and 32 be withdrawn.

For at least the reasons set forth above, Applicant respectfully requests that the Section 103 rejections be withdrawn.

In view of the foregoing amendments and remarks, all the claims now active in the application are believed to be in condition for allowance. Reconsideration and favorable action is respectfully solicited.

Respectfully Submitted,

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